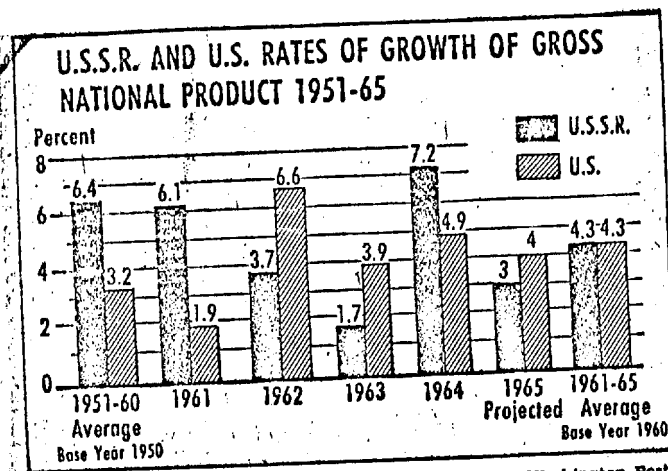


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U.S. Twits Reds As Trade Lags

By Chalmers M. Roberts
Washington Post Staff Writer

The State Department yesterday gave the Soviet Union the back of its statistical hand.

State put out a report dryly pointing out that "since 1960 the U.S.S.R. has made no progress toward its fundamental economic goal of catching up with the United States in total and per capita (economic) output."

It recalled Nikita Khrushchev's 1961 boast that the Soviet Union would overtake the United States in per capita industrial production by 1970. And it noted that Premier Kosygin "has not referred specifically to catching up."

Statistically, the report said the annual rate of growth for the two countries in the period 1961-65 was the same "but, because the U.S. economy is twice as large, the absolute gap in output has widened by approximately \$60 billion."

While cautioning that comparisons between a market economy in dollars and a planned economy in rubles is "a notoriously uncertain business," as all economists agree, the State report hazarded a prediction that the long-term slowdown in Soviet growth is not likely to be reversed by Khrushchev's target date of 1970.

Thus, even granting the Soviets a 4½ per cent rate vs. 4 per cent for the United States, the Soviet gross national product in 1970 would still be "about 50 per cent" of the U.S. total and the absolute gap would have increased by another \$60 billion.

The State Department figures are at least in general agreement with a joint Economic Committee report on Soviet output, released in July.

While the political purport of the report was obvious it avoided some of the direct barbs used by the Central Intelligence Agency in January, 1964, when it held an unprecedented press conference to deflate Soviet claims of superior economic growth.

State's figures yesterday were only fractionally different from the CIA's.

Officials said the figures in the study were not those of the State Department alone but rather the consensus of all parts of the Administration's intelligence community.

Officials here pointed to priorities for military and space programs, agricultural failures and "the using up of most of the possibilities for low-cost exploitation of Western advances in science and in manufacturing techniques."

Government analysts added a warning that nonetheless the Soviet economy is "still growing rapidly and its very considerable energies are still being concentrated on uses that seriously challenge U.S. national security interests."